

October 26, 2001

The Honorable Richard T. Horan
Chief Judge
County of Fairfax General District Court
4110 Chain Bridge Road
Fairfax, VA 22030-4009

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Fairfax General District Court for the period July 1, 2000 through June 30, 2001.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system. However, we noted weaknesses in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Maintain Accountability Over Manual Receipts

The Clerk does not maintain proper accountability over manual receipts. We found nine manual receipt copies that did not contain any information to support the underlying transactions. Therefore, we could not determine the validity of the receipts or proper entry into the court's financial management system. Also, court staff did not issue receipts in numerical sequence in the manual receipt books used in the various court divisions.

The Clerk should make all court staff aware of the documentation and retention requirements for manual receipts. The Clerk should also ensure that division supervisors have the appropriate training to review, monitor, and track manual receipt activity. Once division supervisors have received training, the Clerk should periodically review their oversight of the manual receipt process. Failure to properly document and retain manual receipts greatly increases the risk of theft or fraud.

Properly Document Due Date Changes

The Clerk did not properly document due date changes as required by the Code of Virginia Section 19.2-354. All fines and costs are payable immediately upon final disposition unless otherwise

ordered by the court or evidenced by a written payment plan. Court staff should not alter due dates unless they have an established or revised payment agreement. The Clerk should require the defendant to sign a pay agreement so that they understand their obligation to the court and payment terms.

We discussed these comments with the Clerk on October 26, 2001 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:aom

cc: The Honorable J. Conrad Waters, Jr., Judge
The Honorable Stewart P. Davis, Judge
The Honorable Donald P. McDonough, Judge
Nancy L. Lake, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
LeAnne Lane, Court Analyst
Supreme Court of Virginia